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FM AMEMBASSY RANGOON  
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INFO RUCNASE/ASEAN MEMBER COLLECTIVE  
RUEHBK/AMEMBASSY BANGKOK 2828  
RUEHBJ/AMEMBASSY BEIJING 2212  
RUEHBY/AMEMBASSY CANBERRA 1835  
RUEHKA/AMEMBASSY DHAKA 5138  
RUEHLO/AMEMBASSY LONDON 2074  
RUEHNE/AMEMBASSY NEW DELHI 5309  
RUEHUL/AMEMBASSY SEOUL 8909  
RUEHTC/AMEMBASSY THE HAGUE 0708  
RUEHKO/AMEMBASSY TOKYO 6482  
RUEHCN/AMCONSUL CHENGDU 1728  
RUEHCHI/AMCONSUL CHIANG MAI 2092  
RUEHCI/AMCONSUL KOLKATA 0576  
RHHMUNA/CDR USPACOM HONOLULU HI  
RUEKJCS/JOINT STAFF WASHDC  
RUCNDT/USMISSION USUN NEW YORK 2303  
RUEHGV/USMISSION GENEVA 4320  
RUEATRS/DEPT OF TREASURY WASHDC  
RUEKJCS/DIA WASHDC  
RUEAIIA/CIA WASHDC  
RHEHNSC/NSC WASHDC  
RUEKJCS/SECDEF WASHDC

C O N F I D E N T I A L SECTION 01 OF 03 RANGOON 000143

SIPDIS

STATE FOR EAP, IO, G/TIP, EEB, INR/EAP, AND DRL  
PACOM FOR FPA  
BANGKOK AND CHIANG MAI FOR ECON OFFICE  
US MISSION TO GENEVA FOR LABOR ATTACHE

E.O. 12958: DECL: 02/19/2019  
TAGS: [ECON](#) [EFIN](#) [ELAB](#) [PHUM](#) [PGOV](#) [BM](#)  
SUBJECT: BURMA: OVERSEAS WORKERS RETURNING HOME BUT JOBS  
LIKELY TO REMAIN SCARCE

REF: A. RANGOON 142  
[1](#)B. RANGOON 84

RANGOON 00000143 001.2 OF 003

Classified By: Economic Officer Samantha A. Carl-Yoder for Reasons 1.4  
(b and d).

Summary

[1](#)1. (C) The Burmese Government has officially acknowledged that 10,000 migrant workers have recently returned to Burma -- anecdotal evidence indicates the figure is actually much higher -- and has publicly pledged to provide them with jobs and other assistance. However, Ministry of Labor officials confirm that it will be difficult for workers to find comparable employment in Burma; they indicate that the "assistance" for returnees, at least initially, consists of identifying available jobs throughout the country and posting employment information at ports of entry. Most of the jobs identified thus far have been poorly-paid seasonal or temporary positions involving difficult work in remote areas. Labor officials admit that most returning workers, who have little faith in government-sponsored programs or moving to remote areas, will instead try to find jobs on their own. The continuing influx of workers will place increasing pressure on Burma's already tight labor market. End Summary.

Returning to Burma

12. (C) While GOB officials continue to state that the world financial crisis is having a limited effect on Burma, an increasing number of Burmese overseas workers are finding themselves out of a job (Ref A). According to the Ministry of Labor, more than 10,000 workers, both skilled and unskilled, have returned to Burma since December. Burmese economists such as U Myint and U Soe Win report that this is a low estimate, as Burmese workers overseas without proper documentation continue to cross back into Burma through porous borders without the GOB's awareness. They estimate that perhaps as many as 300,000 workers have returned since November. Director of the Rangoon Division Labor Office Major Kyaw Kyaw privately told us that the Ministry has limited ability to monitor incoming workers and agreed that the actual figure was likely much higher than official estimates.

Identifying, Not Providing  
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13. (C) Members of the GOB Working Group to monitor the effects of the world financial crisis told us they urged the GOB in January to establish a program to assist returning workers. According to U Soe Win, Chairman of consulting group Myanmar Vigor and a working group member, several Ministers, including the Minister of Economic Planning, were opposed to the idea, as they continued to believe the financial crisis is not a problem for Burma (Ref B). However, as reports of returning workers increased, Minister of Labor Aung Kyi offered to spearhead a new effort, U Soe Win confirmed. In late February, the GOB announced it would provide a job to any unemployed worker returning to Burma.

RANGOON 00000143 002.2 OF 003

According to Labor Ministry officials, this is not actually the case; instead, the Prime Minister's office tasked the Ministry of Labor with identifying and compiling a list of available jobs throughout Burma and posting the information at all ports of entry and Labor Ministry offices in the 14 states and divisions. Daw May Nyunt Oo, assistant in the Minister of Labor's office in Nay Pyi Taw, told us the GOB will not create new jobs for returning workers, nor will it ask the private sector to increase job availability.

14. (C) According to Major Kyaw Kyaw, the Ministry of Labor has identified more than 15,000 available jobs, primarily in the agricultural, fisheries, and manufacturing sectors. Most of the jobs are temporary or seasonal, with salaries ranging between 1,000 - 2,500 kyat a day (USD 1-2.50). In the agricultural sector, seasonal workers are to be paid for work completed, rather than a daily wage (for example, workers at Steven Law's Asia World Palm Oil Company will receive 10 kyat (USD 0.01) for each plant fertilized, he confirmed). Most of the jobs are in remote areas, including Mon State, Sagaing Division, and Mandalay Division. While the majority of jobs target unskilled workers, Major Kyaw Kyaw told us of four engineering and accounting positions in Rangoon, which pay between 50,000 and 70,000 kyat a month (USD 50-70). Those types of jobs, he noted, are scarce.

But Will Workers Participate?  
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15. (C) When asked whether returning workers had been inquiring about available jobs, Major Kyaw Kyaw admitted they had not. He believes returning workers are likely to shun GOB assistance efforts and search for jobs on their own, as they have little faith in GOB assistance efforts. He added that the majority of jobs are low-paying and not attractive for returning workers, many of whom earned more than USD 100 a month performing unskilled labor abroad. Some returning skilled workers earned as much as USD 600 a month in Singapore or Thailand. Major Kyaw Kyaw also asserted that most returning workers prefer to live and work in Rangoon rather than remote areas, as the work in remote agricultural sectors is physically demanding, with long hours and low pay,

a sentiment echoed by agricultural specialist U Kyaw Tint. U Kyaw Tint added that the low salaries for agricultural jobs often do not cover the cost of lodging and transportation, making them economically unviable.

¶6. (C) According to several of our textile industry contacts, there are jobs available in industrial zones throughout Burma, but factory owners have been offering lower salaries to seasonal or temporary hires. As production declines, they believe that more factories will go out of business or temporarily halt operations, resulting in further job losses.

Comment  
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¶7. (C) Although exact statistics are unavailable, anecdotal evidence shows that more than 300,000 workers have already returned to Burma with more coming back daily -- far higher than official estimates. The Burmese economy, already dysfunctional before the world financial crisis, continues to

RANGOON 00000143 003.2 OF 003

be affected by the crisis: trade has declined, remittances are dropping, and factories throughout the country are closing (Refs A and B). Food insecurity remains a problem in Burma's more remote areas, and UN agencies expect that food will become scarcer in the future as more workers return to Burma, unemployed and with few opportunities to find decent paying jobs.

VAJDA